

Coin grading is aided by new service

By Roger Boye

Yet another "encapsulation service" has made its debut to help meet investor demand for professionally graded rare coins.

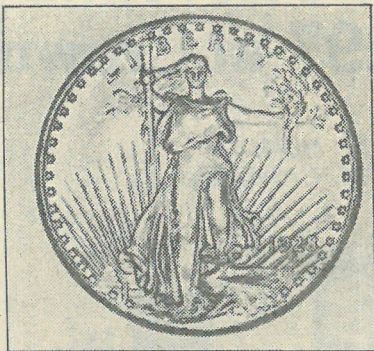
The American Numismatic Association—the nation's largest organization of coin collectors—put thousands of rarities in special holders during February, the first month it offered the new service, according to an ANA spokesman.

"The ANA is independent of any one dealer or collector, and its certification service provides an impartial protection to coin grading," said ANA vice president Kenneth L. Hallenbeck, who also is a coin dealer.

For \$23, a team of ANA experts will evaluate the condition (or "grade") of a rare coin and then seal the coin in an inert plastic holder protected by special anti-counterfeiting devices. Such holders—dubbed "slabs"—are popular with investors because the coins cannot be damaged once inside the holder, nor can they be removed without breaking the holder.

The Professional Coin Grading Service, the most successful of the so-called "slabbers," examined its one millionth coin in December, after less than three years in business. PCGS has received so much praise for its grading consistency that many hobby pros will buy PCGS slabbed coins "sight unseen."

The March 8 issue of *Coin World* reported that rare-coin limited partnerships have invested



"Slabs" prevent damage and help to assure authenticity.

tens of millions of dollars in uncirculated rare coins, most of which were encapsulated by either the PCGS or by another popular service, the Numismatic Guaranty Corporation of America. The plastic slabs apparently help assure buyers that they are getting authentic coins that are accurately and fairly graded.

With competition from PCGS and others, ANA executives have admitted they are taking a gamble by establishing their own service.

"If a certain percentage of the membership wants a service and is willing to pay for it, why not offer it?" asked ANA president Stephen R. Taylor, who is quoted in a release. "The encapsulation option will provide income for our association, which cannot depend entirely on dues and donations to support its member services."

The ANA—a 32,000-person, non-profit organization chartered by Congress—will continue to certify coins with photographs, a service it began several years ago. For more information about the encapsulation program, write to the ANA at 818 N. Cascade Ave., Colorado Springs, Colo. 80903, or call (719) 632-2646.